SETTLEMENT OF INDUSTRIAL DISPUTES IN INDIA WITH SPECIAL REFERENCE TO INDUSTRIAL AWARDS

VOL. 1

(MISS) K. MATHUR

SETTLEMENT OF INDUSTRIAL DISPUTES IN INDIA WITH SPECIAL REFERENCE TO INDUSTRIAL AWARDS

A Thesis

submitted to

the University of Poona

for the degree of

DOCTOR OF PHILOSOPHY

By

(Miss) K. Mathur, M.A.

Gokhale Institute of Pelitics & Economics,

Peona 4

1962

PREFACE

The object of the present work is to analyse the industrial awards of Industrial Tribunals and Courts in India so as to bring to light the principles and policies evolved therein. The study however does not aim at presenting an elaborate case law on various issues of disputes, emphasis being laid on the economic disputes and the policy adopted therein. The details of legal technicalities have not been made an issue and the thesis is kept within the precincts of Economics only. To have a proper frame-work the whole system of settlement of industrial disputes in India is studied, though no normative conclusions are drawn as to whether we should have collective bargaining or compulsory adjudication which itself constitutes a problem to be studied exclusively.

As all the relevant data from other States were not accessible, the study refers mainly to Bombay State. Only a few important awards from different States which have contributed or contradicted to the general policy adopted by the Tribunals could be studied. The study covers a period of twelve years from 1947 to 1958; it could however not be made up to date within this limited period of Ph.D. Degree course. The Supreme Court's decision of 1959, being the most important decision during the last four years due to the interest it has aroused of late into the problem of bonus payment to industrial workers, is appended to the thesis.

The thesis is divided into three parts. Part One gives the necessary theoretical background and describes the statutory system of settling industrial disputes in India with particular reference to the working of the industrial disputes settlement machinery in Bombay State. Part two analyses the awards of Industrial Tribunals and Courts on Various issues of industrial disputes in the background of the prevailing practices in industries on voluntary basis. To have a comparative view point a similar system, though more rigorous, of compulsory adjudication prevailing in Australia is studied. The data on industrial awards of the Australian Courts are drawn from secondary sources as a study of the original reports was not feasible. Part three summarises the entire treatment of the subject, the system of industrial disputes settlement and the principles considered and policies evolved by the Industrial Tribunals for settling industrial disputes.

Having covered all the important issues of disputes, and the nature of the subject requiring frequent references to the awards, the thesis has become rather bulky and to make it handy is presented in two volumes. However this could be only a very modest attempt to treat a subject of such wide implications. It is submitted with due apology to the experts in case law, who may find some gaps. As mentioned before, the object of this study is confined to trace the policy evolved in the industrial awards.

Acknowledgment

I owe this thesis to the learned guidance of Professor D. R. Gadgil, Director, Gokhale Institute of Politics and Economics, Poona who despite his important preoccupations has been kind to spare some time for me, and as such no expression of thanks will be doing justice to my sense of gratitude to him.

I am indebted to the Gokhale Institute of Politics and Economics for the award of a fellowship for three years to carry out these investigations and for providing all facilities to complete this work in the informal and highly academic environment of the Institute. The discussions with colleagues were very helpful.

I am grateful to Mr. M. V. Sovani, Librarian, Servants of India Society, for providing the necessary library facilities and to the Director, Delhi School of Economics, Delhi for permission to use their library.

My thanks are due to the Deputy Labour Commissioner, Bombay Labour Office, Registrar of the Industrial Court, Bombay, the Secretary, Cotton Textile Wage Board, Bombay and the other offices which I visited to collect the data, for their co-operation.

In the true spirit of human relations I am also thankful to Mr. N. G. Phadke who took pains to type this thesis.

16/8/62

GLOSSARY

I.D.Act, 1947	Industrial Disputes Act, 1947.
B.I.R.Act, 1946	Bombay Industrial Relations Act, 1946.
I.D. (Appellate Tribunal) Act, 1950	Industrial Disputes (Appellate Tribunal) Act, 1950.
L.A.T.	Labour Appellate Tribunal.
B.G.G.	Bombay Government Gazette.
I.C.R.	The Industrial Court Reporter, Bombay. Citation is adopted from the Reporter (the year of the volume preceding the abbreviated name of the Reporter and the page number).
L.L.J.	Labour Law Journal. Citation is the same as in the Journal (the year and the volume number in Roman numeral followed by the abbreviated name of the Journal and the page number).
C.A.R.	Commonwealth Arbitration Report
C.L.R.	Commonwealth Law Report.
Q.G.G.	Queensland Government Gazette
W.A.I.G.	Western Australian Industrial Gazette.

CONTENTS

Preface	•••••	(1)
Glossary	·	(1v)
List of	Tables	(viii)
PAR	T I - SETTLEMENT OF INDUSTRIAL DISPUTES IN INDIA	
Chapter		Page
ı	METHODS OF SETTLEMENT OF INDUSTRIAL DISPUTES	
	1. Introduction	16
	3. Choice of Methods of Settling Industrial Disputes	34
	in India	37 60
11	INDUSTRIAL DISPUTES LEGISLATION IN INDIA	
,	1. Introduction	69 72 106
III	WORKING OF THE INDUSTRIAL DISPUTES SETTLEMENT MACHINERY IN BOMBAY STATE	
	2. Joint Committees 3. Labour Officers 4. Conciliation 5. Labour Courts 6. Wage Boards 7. Industrial Court 8. Industrial Tribunal	164
PAR	T II - ANALYSIS OF INDUSTRIAL AWARDS	
IV	WAGES .	
	2. Minimum Salary for Clerical Staff	192 219 228

Chapter		Page
	4. Living Wage	253 285
v	DEARNESS ALLOWANCE	
VI	1. Introduction to the Problem	329
**		•••
	1. Introduction	
	Available Surplus Formula	
	4. Application of the Formula in Various Awards	
	5. Bonus in Distributing Companies	427
	6. Conditions for Payment of Bonus	441
VII	LEAVE AND HOLIDAYS WITH PAY	
	1. Introduction 2. Industrial Awards on Leave 3. Privilege Leave 4. Casual Leave 5. Sick Leave 6. Festival Holidays 7. Leave without Pay	449 451 457 463 470
VIII	RETIREMENT BENEFITS - PROVIDENT FUND AND GRATUITY	
	Part I - PROVIDENT FUND	
	1. Introduction	
	Part II - GRATUITY	
	 Introduction	490
IX	RETRENCHMENT	
	1. Introduction	

(vii)

Chapter		Page
x	DISCHARGE AND DISMISSAL	
	1. Introduction	
XI	STRIKES AND LOCKOUTS	
,	 Legal Restrictions Jurisdiction of the Tribunals Employer-Employee Relationship Consequent on Strike Lockout 	578 580 583 596
	5. Principles Underlying Awards	599
XII	LEGAL AND JURISDICTIONAL MATTERS	
	1. Legal Issues	603 624 650
XIII	INDUSTRIAL COURTS IN AUSTRALIA AND THEIR AWARDS	
	1. Settlement of Industrial Disputes in	4.4
	Other Countries	656
	3. Wage Awards in Australia	656 678
	4. Awards on Other Issues	695
	5. Comparison between Australian and Indian	•
	Adjudication Systems and Scope for Improve-	
	ment in Indian System	703
	PART III - CONCLUSION	
XIV	SUMMARY AND CONCLUSIONS	
	PART I - SETTLEMENT OF INDUSTRIAL DISPUTES IN INDIA	725
	PART II - ANALYSIS OF INDUSTRIAL AWARDS	738
Appendix	•••••	794
A Select	Bibliography	799
Addendum	•••••	807

LIST OF TABLES

Table		Page
1	Average Membership of Trade Unions Submitting Returns.	38
2	Number of Works Committees Functioning in Bombay State	134
. 3	Number of Joint Committees Functioning in Bombay State	137
. 4	Complaints Dealt with by the Labour Officers under B.I.R. Act, 1946	139
5	Cases before Conciliation Machinery in Bombay State under B.I.R. Act, 1946	144
, 6	Details of the Cases not Pursued in Concilia- tion Proceedings	146
7	Causes of Disputes Referred for Conciliation in Bombay State under B.I.R. Act, 1946	148
8	Industry-wise Classification of the Disputes Referred for Conciliation in Bombay State under B.I.R. Act, 1946	150
9	Cases Dealt by Labour Courts in Bombay State (At Bombay, Ahmedabad, Sholapur and Jalgaon)	152
10	Causes of Disputes Decided by the Labour Courts in Bombay State	154
11	Results of the Applications Decided by the Labour Courts in Bombay State	154
	References Dealt by Wage Boards in Bombay State:	157
12	Cotton Textile Wage Board	
13	Wage Board for Silk Industry	
14	Wage Board for Sugar Industry	158
	Decisions given by Wage Boards in Terms of Settlement between the Parties:	159
15	Wage Board for Cotton Textile Industry Bombay	
16	Wage Board for Silk Industry Bombay	
17	Wage Board for Sugar Industry Bombay	
	Demand-wise Classification of the References Disposed of by Wage Boards: (w111)	161

Table		Page
18	Wage Board for Cotton Textile Industry Bombay	
19	Wage Board for Silk Industry	
20	Wage Board for Sugar Industry	
	Frequency Distribution of the Decisions of the Cotton Textile Industry Wage Board Bombay over time taken in Disposing of References	163
21	Time taken in Disposing References Filed during 1957	
22	Time taken in Disposing References Filed during 1958	3
23	Cases Referred to Industrial Court Bombay	168
24	Nature of Cases Filed Every Year in the Industrial Court Bombay	170
25	Demand-wise Classification of References Filed in the Industrial Court Bombay	171
26	Industry-wise Classification of References Filed in the Industrial Court Bombay	174
27	Cases Dealt in Adjudication by the Industrial Tribunal Bombay	177
28	Demand-wise Classification of References Filed in the Industrial Tribunals Bombay	178
29	Industry-wise Classification of the References Filed in the Industrial Tribunals Bombay	181
	Frequency Distribution of the Awards of the Industrial Tribunals Bombay over Time Taken in Making Awards:	184
30	Awards Published in Bombay Government Gazette Part I-L 1957	
31	Awards Published in Bombay Government Gazette Part I-L 1958	
32	Dearness Allowance according to Salary Graded Scale	360
33	Dearness Allowance According to Scale Linked to Cost of Living Index	362
34	Dearness Allowance for Clerical and Technical Staff of British Insulated Callender's Cables Ltd. Bombay and for Clerical Staff in Cotton Textile Industry	363-